

**GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA**

STARRED QUESTION NO:416

ANSWERED ON:10.04.2003

BG AGREEMENT TO OPERATE PANNA MUKTA AND TAPTI OIL AND GAS FIELDS

SRIPRAKASH JAISWAL

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether British Gas Exploration and Production (India) Ltd., ONGC and Reliance Industries have agreed to jointly operate Panna Mukta and Tapti Oil and Gas fields;

(b) if so, the facts thereof;

(c) the role of BG Group in the entire agreement/contract; and

(d) the benefits likely to accrue to the ONGC in this Joint-Operation?

Answer

MINISTER OF PETROLEUM & NATURAL GAS (SHRI RAM NAIK)

(a) to (d): A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (d) OF THE LOK SABHA STARRED QUESTION NO.416 BY SHRI PRKASH JAISWAL TO BE ANSWERED ON 10TH APRIL, 2003 REGARDING BG AGREEMENT TO OPERATE PANNA-MUKTA AND TAPTI OIL AND GAS FIELDS

(a) & (b) The three consortium partners, i.e. Oil and Natural Gas Corporation Limited (ONGC), Reliance Industries Limited (RIL) and BG Exploration and Production India Limited (BGEPIIL), have informed the Government on 28/02/2003 that they have reached a broad understanding to operate the Panna-Mukta and Tapti fields through a joint operating model. The operations will be through an 'Operator Board' having Chairman on 2 years rotation basis with the representatives of ONGC, RIL and BGEPIIL becoming Chairman, in that order. Any change in the operatorship is required to be approved by the Government as provided in the respective Production Sharing Contracts (PSCs).

(c) As per the understanding reached amongst the three partners, the lead responsibility of BGEPIIL will be Technical Operations.

(d) As per their understanding, ONGC representative would be the first Chairman of the Operator Board for two years and during this period, additional development plans are expected to be implemented. ONGC would also gain experience of working in E&P projects through the joint operatorship model.